

German Democratic Republic

FDD Abstract

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VVB RFT SCHEDULES PRICE REDUCTIONS FOR 1952 (3 pp; German;)

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This document consists of a typed copy of a file memorandum of the VVB RFT (Radio and Telecommunications Equipment) Plant, pertaining to meetings held on 23 October 1951 in the Ministry of Finance in Berlin, and on 29 October 1951 in the VVB RFT Administration in Leipzig (N 52/E 21). These meetings were held for the purpose of discussing the price reductions scheduled for 1952.

In the meeting of 23 October, which was held at the Ministry of Finance, Berlin, Unterwasserstrasse, the representatives of the Finance Ministry and of the Ministry for Machine Building, and the representative of the RFT participated. The subject under discussion was a radical price reduction for 1952. It was disclosed that the enterprises subordinate to the Ministry for Machine Building had made very large profits in 1951. For example, Funkwerk (radio plant) Erfurt showed a profit of 6 million ~~which is not indicated~~ on a turnover of 16 million; Funkhaus Neuhaus showed a profit of 5 million on a turnover of 16 million. These two plants produce radio tubes, the 1952 prices of which, f.o.b. plant, will be based on the 1944 gross sales prices, plus an increase of 20%, as compared with the former increase of 120%.

Similar price reductions for 1952 were planned at the Berlin Gluehlampenwerk (Electric Bulb Plant), whose profits were likewise considerable.

The DHZ (German Trade Center) has on hand fluorescent tubes worth 3 million DM, for which there is little demand because of the high prices.

The above-mentioned meeting was followed by one on 29 October 1951, at the RFT plant in Leipzig, when a considerable price reduction for 1952 was again proposed, subject to the approval of the Finance Ministry.

W-38 telephone instruments will cost 55 DM in 1952. In a discussion at the DIA (German Internal and External Trade) Berlin, it was pointed out that the GDR cannot compete in the world market and that the Ministry of Finance has voiced complaints with regard to the large subsidies it was required to grant in connection with orders for telephones placed by the National Import Co. (Paiping, China). The Berlin (Baumschulenweg) Plant alone has on hand orders for 16,000 inductor-type telephones at 92 DM each, and 50,000 W 38 instruments are said to be on order from Fernmeldewerk (Telecommunications Plant) Blankenburg, for 1952 delivery.

[This abstract covers all information contained in the document]

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